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UNCLAS SECTION 01 OF 02 VILNIUS 001068

SIPDIS

STATE FOR EUR/NB, EB/TPP/IPE (JBOGER)
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SENSITIVE

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E.O. 12958: N/A

TAGS: ECON ETRD KIPR PGOV LH

SUBJECT: LITHUANIA SEEKS ADDITIONAL INFORMATION ON SPECIAL 301
INITIATIVE

REF: A) STATE 184046, B) Groves/Dunham 11/28 e-mail

¶11. (U) This cable contains an action request. Please see paragraph
six.

¶12. (U) Summary: Post welcomes the opportunity to engage the new
Lithuanian government -- whose cabinet is dealing with the Special
301 process for the first time -- in a cooperative effort to improve
Lithuania's intellectual property regime. We passed ref A and B
points on November 29 to the Ministry of Culture, the Customs
Department, and the Ministry of Foreign Affairs. We also contacted
two Lithuanian NGOs who defend intellectual property rights (IPR).
All of our interlocutors expressed their willingness to engage
constructively on ref points and provide data in support of their
efforts. End Summary.

Ministry of Culture

¶13. (SBU) Gerda Leonaviciene, Senior Specialist in the Ministry of
Culture's Copyright Division (the GOL's lead institution on IPR
matters), thanked us for the information, in particular the list of
websites with pirated material hosted by Lithuanian websites (ref
B). She promised to pass it to the appropriate institutions and
said she was surprised that the International Intellectual Property
Alliance (IIPA) had not previously passed it to the GOL directly.
She said that copyright holders in Lithuania currently have a
voluntary "notification and takedown" agreement with the three major
Internet service providers (ISPs) in Lithuania. She also said that
the GOL plans to issue a formal order this year that will implement
the EU's E-Commerce Directive's "notification and takedown"
procedures that will, in effect, institutionalize and expand the
current voluntary system and obligate all of Lithuania's ISPs to
adhere to its regulations.

¶14. (SBU) Leonaviciene also told us that Lithuania's new copyright
law entered into force on October 31. This long-delayed law, she
said, brings Lithuanian copyright law into harmony with all existing
EU rules on copyright protection. She also said that the EU has
begun infringement proceedings against Lithuania because the GOL
failed to implement the law on time (it was due last April), but
that she hoped that the EU would now drop the infringement
proceeding because Lithuania is now in full compliance.

LATGA

¶15. (SBU) We also passed ref B information to Lithuania's Copyright
Protection Association (LATGA), which told us that it is generally
satisfied with the current voluntary agreement and that ISPs
generally take down 40-50 websites per year due to rightsholders'
complaints. LATGA told us that rightsholders in Lithuania also have

a second option to fight piracy websites, saying that Lithuania's law on public information enables rightsholders to register complaints that result in the takedown of infringing websites.

Customs Department

16. (SBU) Daiva Niedvariene, Chief Inspector in the Customs Department's Violation Prevention Division, said that Lithuania's customs officials routinely cooperate and regularly share information with their Estonian, Latvian, and Polish counterparts. She asked for more specific information on the kinds of improvement Lithuania can make on information-sharing with neighboring countries. (ACTION REQUEST: Please provide specific recommendations, perhaps including "best practices" from other countries that we can convey to the GOL.)

17. (SBU) Niedvariene also told us that customs officials regularly use their ex officio authority to seize infringing goods that enter Lithuania. We asked her to provide data supporting this assertion. She said that the Customs Department would begin providing us with regular updates on detentions of counterfeit goods, including ex officio seizures.

Ministry of Foreign Affairs

18. (SBU) Raimondas Karoblis, Director of the MFA's Foreign Trade Policy Department, urged us to continue to work closely with the appropriate GOL institutions on this issue, with a view to enabling Lithuania's eventual removal from the Special 301 Watchlist. He also provided us with statistics from the Lithuanian Music Industry Association's (LMIA) anti-piracy center, which works closely with the police and prosecutors to combat IPR piracy. These statistics

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indicate that LMIA, working with the police, searched 118 shops/markets from January to July and seized 36,357 unlicensed products (DVDs, CDs, videocassettes, and video games).

Comment

19. (SBU) We appreciate the opportunity provided by reftel to launch a new offensive constructively with the GOL on IPR. We will follow up by finding out what the GOL did with the information provided in ref B and by seeking regular updates on detentions. Prime Minister Kirkilas, in power for only four months, has emphasized the importance of developing a knowledge-based economy and attracting more foreign investment into Lithuania. Both of these tasks will require Lithuania to do a better job of protecting IPR, making this a particularly opportune time to engage the GOL.

CLOUD